United Nations ST SGB 2003 7 Amend.1

Secretariat

16 December 2010

Secretary-General's bulletin

Financial Regulations and Rules of the United Nations

By its resolution 64 269, the General Assembly decided to amend the Financial Regulations and Rules of the United Nations (ST SGB 2003 7) by substituting the words "the balance of the Peacekeeping Reserve Fund, and not to exceed 100 million United States dollars" for the words "50 million United States dollars" in financial regulation 4.6 and by substituting the words "100 million dollars" for the words "50 million dollars" in financial regulation 4.8.

The Secretary-General, for the purposes of implementing General Assembly resolution 64 269 and amending the financial rules, promulgates the following:

1. Pursuant to General Assembly resolution 64 269, financial regulations 4.6 and 4.8 as set out in Secretary-General's bulletin ST SGB 2003 7 are hereby replaced by the following text:

Regulation 4.6

If a decision of the Security Council relating to the start-up or expansion phase of peacekeeping operations results in the need for expenditure, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee and subject to regulation 4.8, to enter into commitments not to exceed the balance of the Peacekeeping Reserve Fund, and not to exceed $100 million per decision of the Security Council. The cumulative total of outstanding commitment authority in respect of the start-up or expansion phase of peacekeeping operations is not to exceed the total level of the Peacekeeping Reserve Fund at any one time; however, the appropriation by the General Assembly of any outstanding commitments shall automatically restore this commitment authority to the extent of the amount appropriated.

Regulation 4.8

If a decision of the Security Council results in the need for the Secretary-General to enter into commitments for the start-up or expansion phase of peacekeeping operations in an amount exceeding $100 million per decision of the Security Council or exceeding the total level of the Peacekeeping Reserve Fund, the matter shall be brought to the General Assembly as soon as possible for a decision on commitment authority and assessment.

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2. Pursuant to financial rule 101.1, financial rules 105.4, 105.6 and 105.7 as set out in Secretary-General's bulletin ST/SGB/2003/7 are hereby amended and replaced by the following text, in order to increase the threshold amount from $2,500 to $4,000.

Rule 105.4

Notwithstanding bank signatory functions assigned in accordance with rule 104.5, all commitments, obligations and expenditures require at least two authorizing signatures, in either conventional or electronic form. All commitments, obligations and expenditures must first be signed ("certified") by a duly designated certifying officer (rule 105.5). Following certification, duly designated approving officers (rule 105.6) must then sign to "approve" the establishment of obligations and the recording of expenditures in the accounts and the processing of payments. Expenditures recorded against an established, certified obligation do not require additional certification, provided that they do not exceed the amount obligated by more than 10 per cent or $4,000 (or its equivalent in other currencies), whichever is lower (rule 105.7). Expenditures under $4,000 (or its equivalent in other currencies) for which the recording of an obligation is unnecessary require both certification and approval.

Rule 105.6

(a) Approving officers are designated by the Under-Secretary-General for Management to approve the entry into the accounts of obligations and expenditures relating to contracts, agreements, purchase orders and other forms of undertaking after verifying that they are in order and have been certified by a duly designated certifying officer. Approving officers are also responsible for approving the making of payments once they have ensured that they are properly due, confirming that the necessary services, supplies or equipment have been received in accordance with the contract, agreement, purchase order or other form of undertaking by which they were ordered and, if the cost exceeds $4,000 (or its equivalent in other currencies), in accordance with the purpose for which the relevant financial obligation was established. Approving officers must maintain detailed records and must be prepared to submit any supporting documents, explanations and justifications requested by the Under-Secretary-General for Management.

(b) Approving authority and responsibility is assigned on a personal basis and cannot be delegated. An approving officer cannot exercise the certifying functions assigned in accordance with rule 105.5 or the bank signatory functions assigned in accordance with rule 104.5.

Rule 105.7

(a) Apart from the employment of staff against an authorized staffing table and consequential commitments under the Staff Regulations and Rules and allocations made to executing agencies, no undertaking, including by contract, agreement or purchase order, for an amount exceeding $4,000 (or its equivalent in other currencies) shall be entered into until the appropriate credit(s) has (have) been reserved in the accounts. This shall be done through

the recording of obligations against which relevant payments or disbursements, made only on fulfilment of contractual and other obligations, shall be recorded as expenditure. An obligation shall be recorded in the accounts as unliquidated during the period set forth in regulation 5.3 and until such point as it is reobligated, liquidated or cancelled in accordance with regulations 5.4 and 5.5, as appropriate.

(b) If, in the time that elapses between the establishment of an obligation and the processing of final payment, the cost of the relevant goods or services has, for whatever reason, increased by less than $4,000 (or its equivalent in other currencies) or 10 per cent of the obligation, whichever is lower, no change need be made to the amount of the original obligation. If, however, the increase in costs exceeds $4,000 (or its equivalent in other currencies), the original obligation must be revised to reflect this increase in requirements and further certification is required. All increases in obligations, including those resulting from currency fluctuations, shall be subject to the same procedures as apply to the incurring of original obligations.

3. The present bulletin enters into force on the date of its issuance.

(*Signed*) **BAN** Ki-moon
Secretary-General